

GOVERNMENT OF TELANGANA

ABSTRACT

PR&RD (RWS&S) Department - Telangana State - Formation of a "Telangana Drinking Water Supply Corporation" for implementation of Telangana Drinking Water Supply Grid – Orders- Issued.

PANCHAYAT RAJ & RURAL DEVELOPMENT (RWS) DEPARTMENT

G.O.MS.No. 17.

Dated:30-1-2015

Read:-

From the ENC, RWS&S, Lr.No.AE1/DEE-1(Grid)/Formation of Corporation /2014, dt.20.12.2014.

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ORDER:

The State Government has taken a policy decision to implement a Mega Drinking Water Project that will supply drinking water to Gram Panchayats, Urban Municipalities and meet the needs of Industries by linking up a number of water resources on the Godavari and Krishna basins through a complex maze of over 1.25 lakh kilometres of distribution pipelines and balancing reservoirs. The scheme envisages lifting water from sources and distribute in an optimised manner of lift, pumping and gravitational flow. The Government contemplates to implement the Project in a time frame of four years and felt need to establish a Corporation to enable to mobilize the requisite funds for implementing the Project.

2. The meeting held by the Council of Ministers on 23rd November 2014 has approved the proposals for establishment of a Drinking Water Supply Corporation to execute and maintain the Telangana Drinking Water Supply Project vide resolution No.69/2014.

3. In light of the above approval, the Engineer-in-Chief, Rural Water Supply & Sanitation, Hyderabad has submitted proposals to the Govt. for establishment of a Corporation for implementing Telangana Drinking Water Supply Project.

4. The Government after careful consideration of the proposals of the Engineer-in-Chief, Rural Water Supply & Sanitation, Hyderabad, hereby constitute the Telangana Drinking Water Supply Corporation(TDWSC) with the following structure as per the provisions of section 149 (1)(a) of the Companies Act, 2013, to execute and maintain the proposed Telangana Drinking Water Supply Project and related subjects.

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|---|-------------------|
| * 1. Chairman | |
| 2. Principal Secretary to Govt., PR&RWS | ... Vice-Chairman |
| * 3. Managing Director | ... Director |
| 4. Engineer-in-Chief, RWS | ... Director |
| 5. Engineer-in-Chief, PH | ... Director |
| * 6. One expert in the field of drinking water supply | .. Director |
| * 7. One expert in the field of Electricity/ | .. Directors |
| Officers/non-officials as deemed necessary by the | |
| Telangana Govt. Subject to maximum ceiling of 12 numbers. | |

The Directors for registering the Corporation shall be as follows:

- | | | |
|---|------|----------|
| 1. Principal Secretary to Govt., PR&RWS, Department | | Director |
| 2. Engineer-in-Chief, RWS | ... | Director |
| 3. Chief Engineer, RWS&S (Vig) | ... | Director |

*Sl.No. (1), (3), (6) & (7) will be appointed by Govt. separately.

(P.T.O).

5. Authorized Capital: According to section 4(1)(e) of the Companies Act, 2013 the share capital with which the company is to be registered is to be specified in the Memorandum of Association of the company. Accordingly the authorised share capital of the new Company is proposed at Rs.5.00 Crores divided into 50,00,000 equity shares of Rs.10/- each.

6. Paid-up Capital: According to section 2(71) of the Companies Act, 2013 the Paid up capital of the company shall be a minimum of Rs.5.00 lakhs. Accordingly, the paid-up capital for the proposed new Corporation is proposed at Rs.2.00 Crores divided into 20,00,000 equity shares of Rs.10/- each.

7. Shareholders: As the new company proposed for incorporation is a public limited company, under the provisions of section 3(1)(a) of the Companies Act, 2013, seven or more persons are required as shareholders to incorporate the company. Accordingly the following persons are proposed as shareholders of the Telangana Drinking Water Supply Corporation.

- | | |
|--|-----------------------|
| 1. His Excellency the Governor of Telangana | ...19,99,992 Shares |
| 2. Chairman | ... One Share |
| 3. Managing Director | ...One Share |
| 4. ENC, RWS&S | ...One Share |
| 5. ENC, PHED | ...One Share |
| 6. One expert in the field of drinking water
Supply- Director | ...One Share |
| To be nominated by the Govt. | |
| 7. One expert in the field of Electricity-Director | .. One Share |
| To be nominated by the Govt. | |
| 8. One or two non-officials nominated
by the Govt. | ... One or two Shares |

(In view of the restriction imposed by the proviso to Rule 13(4) of the Companies (Incorporation) Rules 2014, the representative of Governor of Telangana cannot hold further shares in his individual name).

8. Staff required for the Corporation: The staff required by the Corporation shall be drafted mainly from RWS&S department and PHED on deputation. However based on the need there shall be flexibility to draft staff on deputation from other departments like PR, R&B, Revenue and Energy. The Corporation can also engage required personnel from open market as per need.

9. Memorandum and Articles of Association: For incorporation of a company, the application for incorporation shall be filed along with the Memorandum of Association and Articles of Association of the company. Hence, the Engineer-in-Chief, Rural Water Supply & Sanitation is authorised to get it drafted according to the Companies Act, 2013 with the following objectives and file the same with the Registrar of Companies for incorporating the new Corporation.

1. To provide safe drinking water in all rural and urban areas in the State of Telangana by taking up drinking water supply projects to cater the needs of Rural and Urban people as per norms fixed by Government with all related infrastructure like laying of pipelines, approach roads, buildings, WTPs, electrical sub stations, Godowns, electrical lines, erection of pumping sets with electrical motors etc.
2. To develop, construct, erect, install sewerage systems and treatment plants in rural areas.
3. To supply bulk drinking water at entry point of the rural and urban areas and maintain the drinking water projects outside the GP/ULBs.
4. To fix, revise whenever necessary and to collect the tariff for the bulk drinking water supply as per the policy guidance of the Government.

10. Permission to incur necessary expenditure: The Engineer-in-Chief, Rural Water Supply & Sanitation is permitted to pay the fees as stipulated under Rule 12 of Companies (Registration offices & Fees) Rules 2014 for incorporation of the company to the Ministry of Corporate Affairs and also incur incidentals such as stamp duty, professional fees and other incidental charges etc. from the budget of Rs.105.00 Crores already released to him under the project.

11. Role of RWS&S, PHED and the Corporation: The functional areas of the departments connected and the Corporation shall be as follows:

- a. The Corporation will limit its activities to the extent of 'Telangana Drinking water Supply Project' and connected Sewerage Treatment Plants initially till further orders of the Government.
- b. The Engineer-in-Chief, Rural Water Supply & Sanitation Department shall continue to execute the ongoing sanctioned works/programme including MVS, SVS Schemes, World Bank, NABARD, HUDCO, Finance commission, Drought, Floods etc., outside the Outer Ring Road of Hyderabad City. It shall complete all the ongoing works pertaining to the Rural areas inside Outer Ring Road and handover to the newly formed Corporation.
- c. The Hyderabad Metro Board shall deal with drinking water supply and Sewerage aspects within Outer Ring Road. However it shall complete its entire ongoing urban drinking water works outside Outer Ring Road and handover to the new Corporation after completion for O&M.
- d. The Public Health Engineering dept shall continue to execute all its ongoing sanctioned works/programme including Sewerage Treatment Plants in municipalities and Municipal Corporations.
- e. All new schemes pertaining to the Mega Drinking water supply Project outside Outer Ring Road shall be taken up by **the new Corporation**.
- f. The intra village or intra Municipal works shall be taken up by the respective Local bodies with the technical assistance of the respective line departments as per instructions of the Government from time to time.

12. The funds required for the establishment cost of the Telangana Drinking Water Supply Corporation shall be met from the funds provided under the Head of Account 4215-01-102/789/796-11-31 of Water Grid.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

J. RAYMOND PETER
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Engineer-in-Chief, Rural Water Supply & Sanitation, Hyderabad
The P.S. to Secy. to Governor of Telangana State
The Chief Engineer, Rural Water Supply & Sanitation, Hyderabad
The ENC, Public Health Engineering Dept., Hyd.
The Chief Engineer, RWS&S, (Vigilance)

Copy to:

All the District Collectors
The PS to Chief Secretary to Govt.,
The PS to Addl. Secy. to C.M.
The Principal Secretary to Finance
The Secretary to Govt., Law Department, Telangana Secretariat
The P.S to Hon'ble Minister (PR&IT/I&CAD/Finance)
The Secretary to GOI, Min. of DWS, New Delhi.
The Chief Engineer, I&CAD Dept.
The ENC, R&B
The Secretary to Govt. Finance Dept.
All Departments of Telangana Secretariat
The Advisor to Govt. (RWS&S)
The GA (Cabinet) Dept.,
The SF/SC.

//FORWARDED :: BY ORDER//

SECTION OFFICER